Honolulu, Hawaii

APR 26 2019

RE: S.B. No. 991

S.D. 1 H.D. 1 C.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

## Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 991, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TELECOMMUNICATIONS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Cap annual utility rate increases without Public Utilities Commission approval for counties with a population of less than 500,000;
- (2) Provide telecommunications service providers with flexibility from certain regulatory oversight requirements, including issuance of securities and other evidences of indebtedness and sales or disposition of property or equipment, if the utility is providing fully

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competitive retail services and specific conditions are met; and

(3) Specify other requirements related to flexibility for telecommunications service providers.

Your Committee on Conference finds that in the past several decades, as the telecommunications industry has become more competitive, regulation of businesses offering telecommunications services in Hawaii has been significantly reduced through legislative action and Public Utilities Commission orders. Committee on Conference further finds that enabling robust competition in the market and supporting a level playing field for all competitors, while also ensuring high quality customer service from telecommunications service providers and non-discriminatory access to infrastructure in less-competitive rural markets and on neighbor islands, is in the public interest.

Your Committee on Conference has amended this measure by:

- Clarifying that a telecommunications carrier shall not be required to obtain approval or provide any cost support or other information to establish or otherwise modify in any manner its retail intrastate telecommunications service rates, fares, charges, and terms and conditions; and
- (2) Changing its effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 991, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 991, S.D. 1, H.D. 1, C.D. 1.

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Chair

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

TAKASHI OHNO

Co-Chair

ROY M. TAKUMI

Co-Chair

SCOTT Y. NISHIMOTO

Co-Chair

## Hawai'i State Legislature

## CCRIOI

## Record of Votes of a Conference Committee

| SB 991, SD 1, HD 1  |          |          |   |  | 1:28 pm 4-                   | 25  | · - 2 | 201 | 9 |
|---|----------|----------|---|--|------------------------------|---|-------|-----|---|
| The recommendation of the House and Senate managers is to pass with amendments (CD).  |          |          |   |  |                              |   |       |     |   |
| The Committee is reconsidering its previous decision.   |          |          |   |  |                              |   |       |     |   |
| The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure                                    |          |          |   | The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure. |                              |   |       |     |   |
| Senate Managers   | A        | WR       | N | Е  | House Managers               | A   | WR    | N   | Е |
| BAKER, Rosalyn H., Chr.   | 1        |          |   |  | OHNO, Takashi, Co-Chr.       |   |       |     |   |
| CHANG, Stanley  |          |          |   | <b>1</b> /   | TAKUMI, Roy M., Co-Chr.      | V   |       |     |   |
| FEVELLA, Kurt   |          |          |   |  | NISHIMOTO, Scott Y., Co-Chr. | \\\   |       |     |   |
|   |          |          |   |  | MCDERMOTT, Bob               |   |       |     | 7 |
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| TOTAL   | フ        |          | _ | J  | TOTAL                        | 3   | _     |     | / |
| A = Aye $WR = Aye$ with Reservation   |          |          |   | s $N = Nay$ $E = Excused$  |                              |   |       |     |   |
| Senate Recommendation is:   |          |          |   | House Recommendation is:   |                              |   |       |     |   |
| Adopted Not Adopted   |          |          |   |  | Adopted Not Adopted          |   |       |     |   |
| Senate Lead Chair's or Designee's Signature:  |          |          |   | House Lead Chair's or Designee's Signature:  |                              |   |       |     |   |
| Rosalm H Behr   |          |          |   | Jacon  |                              |   |       |     |   |
| Distribution: Original Yellow Pink Goldenrod File with Conference Committee Report House Clerk's Office Senate Clerk's Office Drafting Agency |          |          |   |  |                              |   |       |     |   |
|   |          |          |   |  |                              |   |       |     |   |